

Premium Payments

What does this program do?

Provides premium payments to enroll certain groups of eligible individuals in the Medicare program. This transfers medical costs from Medicaid to Medicare. This appropriation also provides premium payments for the Health Insurance Premium Payment (HIPP) program for Medicaid eligibles when it is cost effective.

What is the statutory base?

State: RSMo 208.153

Federal: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation 42 CFR 406.26 and 431.625

Is this a federally mandated program?

Yes.

What is the funding?

State Fiscal Year	General Revenue	Federal	Other	Total
2001	\$22.3 mil	\$35.0 mil	\$0	\$57.3 mil
2002	\$23.9 mil	\$38.0 mil	\$0	\$61.9 mil
2003	\$28.2 mil	\$45.1 mil	\$0	\$73.3 mil
2004	\$31.2 mil	\$50.4 mil	\$0	\$81.6 mil

What is the source of the non-general revenue funding?

Title XIX (Medicaid)

Who is eligible?

Part A (Hospital) premium payment can be made for:

- Qualified Medicare Beneficiaries (QMBs)
- Qualified Disabled Working Individuals

Part B (Medical) premium payment can be made for:

- Individuals that meet certain income standards
- Qualified Medicare Beneficiaries (QMBs)
- Specified Low-Income Medicare Beneficiaries

HIPP:

- Provisions of OBRA 90 require states to purchase group health insurance for a Medicaid recipient when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with Medicaid funds.

What is the average number of recipients per month?

	2001	2002	2003
Part A	699	682	684
Part B	89,513	92,328	96,443
HIPP	4,951	4,858	4,758